

State of South Dakota

EIGHTY-FIFTH SESSION LEGISLATIVE ASSEMBLY, 2010

400R0336

SENATE BILL NO. 19

Introduced by: The Committee on Retirement Laws at the request of the South Dakota Retirement System

1 FOR AN ACT ENTITLED, An Act to increase contributions related to the optional spouse
2 protection program within the South Dakota Retirement System and to prohibit any new
3 enrollments in the program.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 3-12-104 be amended to read as follows:

6 3-12-104. Within three hundred sixty-five days of becoming a member, within ninety days
7 of attaining age thirty-five, or within ninety days of the first anniversary of a marriage, a
8 member may elect to provide the member's spouse with additional survivor protection by
9 increasing the member's contribution by an additional one and ~~two-tenths~~ five-tenths percent
10 of compensation, which additional contribution may not be matched by the member's employer.
11 The additional contribution shall commence with the first payroll period following the date of
12 the election. It shall continue until the earlier of the member's spouse attaining age sixty-five,
13 the death or disability of the member, the death of the spouse, termination of employment or the
14 termination of the marriage as defined in the rules of the board of trustees. The additional
15 contribution may not be treated as a member contribution for purposes of determining the



1 amount of refund of accumulated contributions. However, the contributions paid prior to
2 January 1, 1979, shall be considered part of accumulated contributions for determining the
3 amount of refund if the member terminates employment. Notwithstanding any other provision
4 of this section, a member who is currently contributing to the system may terminate the
5 additional survivor protection under this section, but all funds contributed for the additional
6 survivor protection shall remain with the system and may not be considered as part of the
7 member's accumulated contributions. For the purposes of implementing this section, the
8 ~~eight-tenths of one and two-tenths~~ percent contribution for additional survivor protection was
9 applied to all compensation received on or after ~~January 1, 1979~~ July 1, 2004, regardless of
10 when that compensation was earned, and the one and ~~two-tenths~~ five-tenths percent of
11 compensation shall be applied to all compensation received on or after July 1, ~~2004~~ 2010,
12 regardless of when that compensation was earned.

13 Section 2. That chapter 3-12 be amended by adding thereto a NEW SECTION to read as
14 follows:

15 The provisions of § 3-12-104 notwithstanding, on or after July 1, 2010, no member of the
16 system may enroll in the program created under that section.